(iv) A mechanism may be worked out to reduce the share-holdings of the Financial Institutions in Indian companies gradually to 20 per cent of capital.

(v) Company law should be amended to enable companies to issue non-voting shares.

(vi) Indian promoters should be able to access low cost funds abroad for investment in equity.

(vii) Restructuring including margers and acquisitions and legal processes should be made easier and speedier and set off of the carried order losses in a merger under-section 72(a) of Income-Tax Act should be made authomatic.

(viii) High-cost terms of stamp duty and capital gains tax be brought down.

(c) The suggestions made by the Group and other associations and individuals are examined by the concerned Ministries/ Departments of the Government and are kept in view while formulating Government's economic policy.

Charter of Demands from Industrialists of Bombay Club

1412. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether he has received a charter of demands recently from the industrialists of Bombay Club; and

(b) if so, what are the demands and the action so far taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) A group of industrialists met the Finance Minister on 10th November, 1993. In their representation, the group has *inter-alia* pointed out that they are in full agreement with trade liberalisation policies of the Government and the Indian enterprises be strengthened to enable them to play their role in the industrial growth of the country. Suggestions made by the Group include:

(i) Restriction imposed by RBI on banks on landing against pledge of shares be removed;

(ii) Removal of constraints imposed by Sections 370 and 372 of the companies Act;

(iii) Inidan Companies be allowed to issue non-voting shares;

(iv) Reduction of share holdings of the financial institutions in the Indian Companies;

(v) Access to low-cost funds abroad for investment in Indian companies; and

(vi) Introduction of measures for speedier mergers acquisitions.

The suggestions made by the group and other Associations and individuals are kept in view while formulating Government economic policies.

Opening of New Branches for SSIs

1413. DR. NAUNIHAL SINGH:

SHRI SURESH KALMADI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal to direct the banks to open special branches catering to small scale industries (SSIs) if so, the details thereof;

(b) how many branches of various banks are likely to be opened to and at what centres, the details thereof;

(c) what are the details of recommendations of the Nair Committee on SSIs; and

(d) whether Government have accepted all the recommendations and if so, the details thereof?